CLASSIFICATION

INFORMATION REPORT

25X1A

453

COUNTRY

Germany (Russian Zone) CONFIDENTIAL

DATE DISTR. 18

February 1948

SUBJECT

Planned Changes in Foreigh Trade

of Russian Zone

NO. OF PAGES

PLACE ACQUIRED

25X1A

NO. OF ENCLS.

DATE OF THE

SUPPLEMENT TO REPORT NO.

25X1X

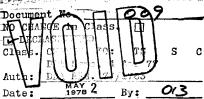
THIS DOCUMENT CORTAINS INFORMATION AFFECTING THE MATIGUAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF THE USTOTAGE ACT DO U.S.C., 31 AND 32. AM ARRIBOD. ITS FRANCHISTION OF THE SEVELATION OF THE SEVELATI

THIS IS UNEVALUATED INFORMATION FOR THE RESEARCH USE OF TRAINED INTELLIGENCE ANALYSTS

25X1X

SOURCE

- 1. Representatives of the German Administration for Interzonal and Foreign Trade (DVIA) conferred with representatives of Russian zone state administrations in Bad Galzungen 16-17 January 1948. Vice-president Appelt of the DVIA presided. The meeting was secret.
- 2. Appelt reported on statements of Colonel Mikhin, director of the Foreign Trade Division of the SMA, to the leaders of the DVIA. The DVIO has been promised new powers which will be detailed in an SMA order soon to be circulated. SMA approval will no longer be required on offers to foreign buyers. Sales up to \$5000 may be negotiated by the DVIA without SMA approval.
- 3. The SMA attaches no importance to the export coefficients. All export agreements will simply be based on the attempt to get the most favorable hard currency price possible.
- 4. The DVIA is to establish offices abroad to study the foreign markets. The first of these will be set up in Switzerland and The Netherlands approximately in June 1948. They will be under the leadership of SED commercial experts.
- 5. A state-owned foreign trade monopol in the Russian zone is not planned for the near future. Special trade companies for wood, potash, and scrap iron are, however, to be organized by the DVIA in cooperation with the state administrations. Trade relations with the countries not included in the Marshall plan are to be strengthened; however, Mikhin insists on fulfillment of agreements with the western zones. The Russian commercial firms in Germany have been instructed to report their transactions to the DVIA to prevent their underbidding each otherway.



CONFIDENTIAL CONFIDENTIAL

25X1A

Director of Central Intelligence to the Archivist of the United States.